

Translation of the German original



ZURICH

## Invitation

to attend the Ordinary General Meeting  
of Zurich Financial Services

**Date** Thursday, April 20, 2006  
**Location** Hallenstadion, Wallisellenstrasse 45, 8050 Zurich, Switzerland  
**Doors open** 8:30 a.m.  
**Start** 10:00 a.m.

## Agenda

### 1. Approval of the annual report, the annual financial statements and the consolidated financial statements for 2005

and taking cognizance of the auditors' and Group auditors' reports.

The Board of Directors proposes that the annual report, the annual financial statements and the consolidated financial statements for 2005 be approved.

### 2. Appropriation of available earnings of Zurich Financial Services for 2005

Available earnings of Zurich Financial Services for 2005 **CHF 1,443,217,323**

The Board of Directors proposes that the available earnings be appropriated as follows:

- Distribution of a dividend of CHF 4.60 for the 2005 business year before tax on each of the 144,006,955\* dividend-paying shares (nominal value CHF 2.50), payable on July 4, 2006, less a deduction of 35% for Swiss withholding tax **CHF 662,431,993\***
  - Undistributed profit carried forward **CHF 780,785,330\***
- CHF 1,443,217,323**

\* The number of dividend-paying shares may increase by a maximum of 1,000,000 newly issued shares from contingent share capital until July 3, 2006. Accordingly, the aggregate amount for distribution of a dividend may increase by a maximum of CHF 4,600,000 to a maximum of CHF 667,031,993 with a minimum undistributed profit carried forward of CHF 776,185,330.

If this proposal is approved, after deduction of Swiss withholding tax, dividends of CHF 2.99 net per registered share will be paid on July 4, 2006 in accordance with dividend payment instructions to those shareholders who hold shares of Zurich Financial Services on July 3, 2006.

### 3. Share capital reduction, repayment of reduction in nominal value, and changes to the Articles of Incorporation

The Board of Directors proposes to effect a further payout in cash to shareholders of CHF 2.40 per registered share by reducing the nominal value of each registered share from CHF 2.50 to CHF 0.10. In order to preserve proportional shareholders' rights, the threshold for requesting items on the agenda in accordance with Article 12 para. 2 of the Articles of Incorporation shall be amended proportionally to the reduced nominal value.

Subject to approval by the Ordinary General Meeting of shareholders and subject to the fulfilment of all necessary requirements and the entry of the share capital reduction in the Commercial Register of the Canton of Zurich, the shareholders or their custodian banks will receive CHF 2.40 per registered share free of charge, expected on July 4, 2006.

In summary, this proposal entails the following:

- that the share capital, in accordance with Article 5 of the Articles of Incorporation, be reduced by CHF 345,616,692 from CHF 360,017,387.50 to a new total of CHF 14,400,695.50 by reducing the nominal value of the registered shares from CHF 2.50 each by CHF 2.40 to CHF 0.10 each per registered share and that the amount of the reduction be paid out to the shareholders;

- that any and all share capital created in accordance with Article 5<sup>bis</sup> para. 1, Article 5<sup>ter</sup> para. 1 (a) first sentence and 2 (a) first sentence of the Articles of Incorporation until completion of the capital reduction be reduced by CHF 2.40 for each registered share and that the amount of the reduction be paid out to the shareholders;
- that based on the special audit report issued in accordance with Article 732 para. 2 of the Swiss Code of Obligations, which will be available at the Ordinary General Meeting on April 20, 2006, it is established that the claims of the creditors are fully covered subsequent to this share capital reduction, and
- that, Articles 5 (share capital), 5<sup>bis</sup> (authorised share capital) and 5<sup>ter</sup> (contingent share capital) and Article 12 para. 2 (agenda) of the Articles of Incorporation be amended in accordance with the proposed wording in the Annex and, following the call for the filing of claims, be entered in the Commercial Register of the Canton of Zurich.

## 4. Change to the Articles of Incorporation

### Authorised Share Capital

The Board of Directors proposes that the authority to issue authorised share capital be extended to June 1, 2008 without changing the number of shares.

It is intended to enter the extension of the authority to issue authorised share capital in the Commercial Register together with the amendments to Article 5<sup>bis</sup> para. 1 of the Articles of Incorporation pursuant to agenda item 3.

This proposal changes the wording of Article 5<sup>bis</sup> para. 1 as shown in the Annex.

## 5. Other change to the Articles of Incorporation

The Board of Directors proposes further-more to revise the wording of Article 23 para. 1, para. 1 (d) and (e) of the Articles of Incorporation.

The proposal changes the wording of Article 23 para. 1, para. 1 (d) and (e) as shown in the Annex.

The proposed changes to Article 23 provide for editorial amendments and clarifications. In particular, this change accommodates the enhanced tasks of the governance and nominations committee as well as the possibility to set up additional committees.

## 6. Release for members of the Board of Directors and the Group Executive Committee

The Board of Directors proposes that the members of the Board of Directors and of the Group Executive Committee be released from liability for their activities in the 2005 business year.

## 7. Elections and Re-elections

### 7.1 Board of Directors

At this year's Ordinary General Meeting, the terms of office of Messrs Thomas Escher, Philippe Pidoux and Vernon Sankey expire. Messrs Thomas Escher, Philippe Pidoux and Vernon Sankey are each standing for re-election for a further term of three years.

In addition, it is proposed to elect Mr Don Nicolaisen with a three-year term of office as well as Messrs Fred Kindle and Tom de Swaan with a two-year term of office each as new members of the Board of Directors.

According to Article 20 para. 5 of the Articles of Incorporation, each individual standing for election or re-election to the Board of Directors is elected on an individual basis.

### 7.1.1 Election of Mr Don Nicolaisen

The Board of Directors proposes the election of Mr Don Nicolaisen to the Board of Directors for a three-year term of office.

**Don (Donald Thor) Nicolaisen**, 61, American, graduated from the University of Wisconsin with a BA degree and joined Price Waterhouse (which subsequently became PricewaterhouseCoopers), where he was admitted to partnership in 1978. He served in various capacities, including as auditor and as chairman of PricewaterhouseCoopers' financial services practice. He led that company's national office for accounting and Securities and Exchange Commission services and served on both the US and global boards. In September 2003 he was appointed chief accountant of the US Securities and Exchange Commission, and was principal adviser to the Commission on accounting and auditing matters. He is a member of the board of directors of Verizon Communications Inc. and has been nominated as a member of the board of Morgan Stanley.

### 7.1.2 Election of Mr Fred Kindle

The Board of Directors proposes the election of Mr Fred Kindle to the Board of Directors for a two-year term of office.

**Fred (Manfred) Kindle**, 46, a citizen of Liechtenstein and Switzerland, graduated from the Swiss Federal Institute of Technology (ETH) in Zurich with a master in engineering degree. He joined Hilti AG in Liechtenstein in 1984 as a marketing projects manager, and two years later enrolled at Northwestern University, Evanston, in the United States, where he gained an MBA. From 1988 until 1992 he was an associate and engagement manager with McKinsey & Company in New York and Zurich.

He then joined Sulzer Chemtech AG in Switzerland as the head of the Mass Transfer Department and in 1996 became the head of the Product Division. In 1999 he was appointed CEO of Sulzer Industries, one of the two operating groups of Sulzer AG. Two years later he became CEO of Sulzer. After joining ABB Ltd. in fall 2004, Mr Kindle was appointed CEO of ABB Group worldwide in January 2005. He is a director of the Swiss American Chamber of Commerce and also serves on the board of VZ Holding Ltd., Zurich.

### 7.1.3 Election of Mr Tom de Swaan

The Board of Directors proposes the election of Mr Tom de Swaan to the Board of Directors for a two-year term of office.

**Tom (Tommy) de Swaan**, 59, Dutch, graduated from the University of Amsterdam with a master's degree in economics. He joined De Nederlandsche Bank N.V. in 1972, and from 1986 until 1998 was a member of the governing board there. Since January 1999, he has been a member of the managing board and chief financial officer of ABN AMRO Bank. He will retire from ABN AMRO from May 1, 2006, but agreed to continue his services for this bank as an advisor to the managing board, specifically on the topics of economic and financial affairs, and sustainable development. Mr de Swaan is a non-executive member of the board of GlaxoSmithKline and has been nominated as a member of the supervisory board of DSM, a Netherland-based chemical group. He is a non-executive director on the board of the UK's Financial Services Authority. From 1987 to 1988, he was chairman of the Amsterdam Financial Center, and from 1995 to 1997 chairman of the banking supervisory subcommittee of the European Monetary Institute. He was also a member of the Basel Committee on Banking Supervision from 1991 to 1996, and its chairman from 1997 to 1998. Mr de Swaan is also a director of a number of non-profit organizations. Amongst others he is the chair-

man of the board of the Netherlands Opera and treasurer of the board of the Royal Concertgebouw Orchestra.

#### 7.1.4 Re-election of Mr Thomas Escher

The Board of Directors proposes that Mr Thomas Escher be re-elected to the Board of Directors for a further three-year term of office.

Thomas Konrad Escher, 56, Swiss, graduated in electrical engineering and in business administration from the Swiss Federal Institute of Technology (ETH) and joined IBM in 1974. In subsequent years his career led him through various managerial line functions with responsibilities for markets and client relationships overseas in different European countries and in Switzerland. In 1996, Mr Escher joined Swiss Bank Corporation and was – as a member of the executive board – CEO for the major market region in Switzerland and for the information technology organization. Since the merger of Swiss Bank Corporation and Union Bank of Switzerland to form UBS AG in 1998, he headed the business area IT of the wealth management and business banking division through mid-2005 as a member of the Group Managing Board. As of July 1, 2005, Mr Escher assumed the function of vice chairman wealth management UBS. Mr Escher is chairman of the Zurich Economic Society.

#### 7.1.5 Re-election of Mr Philippe Pidoux

The Board of Directors proposes that Mr Philippe Pidoux be re-elected to the Board of Directors for a further three-year term of office.

Philippe Olivier Pidoux, 62, Swiss, graduated from the University of Lausanne, Switzerland, with a doctorate in law and also holds a Master's degree in comparative jurisprudence from the University of Texas. He is a partner

in the law firm BMP Associés in Lausanne, Switzerland. Mr Pidoux was a member of the Government of the Canton of Vaud from 1986 until 1994 and a member of the Swiss Parliament between 1983 and 1999. From 1991 until 2003, he was a member of the board and as of 1999 vice chairman of the Swiss National Bank. He is also chairman of Publi-groupe AG.

#### 7.1.6 Re-election of Mr Vernon Sankey

The Board of Directors proposes that Mr Vernon Sankey be re-elected to the Board of Directors for a further three-year term of office.

Vernon Louis Sankey, 56, British, graduated with a MA degree from Oriel College, Oxford, and joined Reckitt and Colman in the UK in 1971, subsequently working in France, Denmark, the UK and the US. He was appointed to the board of directors in 1989 and was chief executive officer of that company from 1991 to 1999. He was chairman of Thomson Travel Group plc until August 2000 and of Gala Group Holdings plc until February 2003. He is chairman of The Really Effective Development Company Ltd., chairman of Photo-Me International plc, and deputy chairman and chairman designate of Vividas Group plc. He is also a director of Pearson plc, Cofra AG, Taylor Woodrow plc, a former board member of the UK's Food Standards Agency and an advisor to a number of other companies. As of January 2006, he is a member of the supervisory board of Atos Origin SA, Paris.

### 7.2 Re-election of Statutory Auditors and Group Auditors

The Board of Directors proposes that PricewaterhouseCoopers Ltd, Zurich, be re-elected as statutory auditors and Group auditors for the 2006 business year.

## Annex

Wording of the Articles of Incorporation according to the proposed changes under agenda items 3, 4 and 5 (proposed changes in *italics*)

### Current version

#### Article 5 Share Capital

The share capital of the Company shall amount to CHF 360,017,387.50 (three hundred and sixty million seventeen thousand three hundred and eighty-seven Swiss francs and fifty centimes), and shall be divided into 144,006,955 fully paid registered shares with a nominal value of CHF 2.50 (two Swiss francs and fifty centimes) each.

#### Article 5<sup>bis</sup> Authorised Share Capital

(1) The Board of Directors is authorised to increase the share capital by no later than June 1, 2007 by an amount not exceeding CHF 15,000,000 by issuing up to 6,000,000 fully paid registered shares with a nominal value of CHF 2.50 each. An increase in partial amounts is permitted.

#### Article 5<sup>ter</sup> Contingent Share Capital

(1) (a) The share capital may be increased by an amount not exceeding CHF 13,704,570 by issuing up to 5,481,828 fully paid registered shares with a nominal value of CHF 2.50 each by exercising of conversion and/or option rights which are granted in connection with the issuance of bonds or similar debt instruments by the Company or one of its group companies in national or international capital markets and/or by exercising option rights which are granted to the shareholders.

### Proposed new version

#### Article 5 Share Capital

The share capital of the Company shall amount to CHF 14,400,695.50 (*fourteen million four hundred thousand six hundred and ninety-five Swiss francs and fifty centimes*), and shall be divided into 144,006,955 fully paid registered shares with a nominal value of CHF 0.10 (*ten centimes*) each.

#### Article 5<sup>bis</sup> Authorised Share Capital

(1) The Board of Directors is authorised to increase the share capital by no later than *June 1, 2008* by an amount not exceeding CHF 15,000,000 [in accordance with and effective as per Agenda item 3: CHF 600,000] by issuing up to 6,000,000 fully paid registered shares with a nominal value of CHF 2.50 [in accordance with and effective as per Agenda item 3: CHF 0.10] each. An increase in partial amounts is permitted.

#### Article 5<sup>ter</sup> Contingent Share Capital

(1) (a) The share capital may be increased by an amount not exceeding CHF 548,182.80 by issuing up to 5,481,828 fully paid registered shares with a nominal value of CHF 0.10 each by exercising of conversion and/or option rights which are granted in connection with the issuance of bonds or similar debt instruments by the Company or one of its group companies in national or international capital markets and/or by exercising option rights which are granted to the shareholders. [rest of text unchanged]

(2) (a) The share capital may be increased by an amount not exceeding CHF 3,750,000 by issuing up to 1,500,000 fully paid registered shares with a nominal value of CHF 2.50 each by issuance of new shares to employees of the Company and group companies.

### Article 12 Procedure for Calling the Meeting, Agenda

(2) Shareholders with voting rights who together represent shares with a nominal value of at least two hundred fifty thousand Swiss francs may request that items be included on the agenda until, at the latest, 45 days before the day of the meeting. Such request must be made in writing, and must specify the proposals.

### Article 23 Adopting Resolutions, Taking Minutes

(1) Resolutions of the Board of Directors shall be adopted and persons elected by a majority of votes cast. In case of a tie, the Chairman of the meeting shall have the casting vote except in the following matters (provided that the Board resolved to create the respective committee referred to below):

(a) – (c)

(d) Appointments to the nominations committee, the audit committee, and the remuneration committee;

(e) Nominations for the election of members of the Board that are not made on the basis of a proposal by the nominations committee.

(2) (a) The share capital may be increased by an amount not exceeding CHF 150,000 by issuing up to 1,500,000 fully paid registered shares with a nominal value of CHF 0.10 each by issuance of new shares to employees of the Company and group companies.  
[rest of text unchanged]

### Article 12 Procedure for Calling the Meeting, Agenda

(2) Shareholders with voting rights who together represent shares with a nominal value of at least *ten thousand* Swiss francs may request that items be included on the agenda until, at the latest, 45 days before the day of the meeting. Such request must be made in writing, and must specify the proposals.

### Article 23 Adopting Resolutions, Taking Minutes

(1) Resolutions of the Board of Directors shall be adopted and persons elected by *an absolute* majority of votes cast. In case of a tie, the Chairman of the meeting shall have the casting vote except in the following matters (provided that the Board resolved to create the respective committee referred to below):

(a) – (c) [unchanged]

(d) Appointments to the *committees*;

(e) Nominations for the election of members of the Board that are not made on the basis of a proposal by the *governance and* nominations committee.

## Information

This invitation is a translation of the German original. In case of inconsistencies the official German version of the invitation shall prevail over the English text.

### Admission and voting rights, admission cards

#### Registered shareholders

Registered shareholders entered in the share register up to and including April 7, 2006 as shareholders with voting rights will receive, together with the invitation to the Ordinary General Meeting, a reply card that they may use to order the admission card and voting papers. No entries conferring voting rights will be made in the share register in the period from April 7, 2006 to the end of the Ordinary General Meeting.

#### CDI Attendants

In the context of the unification of the Group holding structure in 2000, shares of the Company were issued to CREST International Nominees Ltd. (CIN) for the account of the former shareholders of Allied Zurich p.l.c. which were represented by CREST Depository Interests (CDIs). CDIs are uncertificated securities independent of the Company, constituted under English law, allowing the electronic settlement of trades in the Company's shares via a system operated by CRESTCo Ltd., London.

Pursuant to the Directive on Recognition of Shareholders of the Board of Directors of the Company,

- CREST members holding CDIs as beneficial owners,
- CREST members holding CDIs as legal owners for not more than 200,000 CDIs and acting upon instructions from the beneficial owners,

- Lloyds TSB Registrars for not more than 500,000 CDIs acting upon instructions from the beneficial owners, or
- the beneficial owners of CDIs,

all referred to hereafter as CDI Attendants, are entitled to attend the Ordinary General Meeting and to cast their votes as proxies of CREST International Nominees Ltd.

CREST members entered directly in the CREST register and persons entered in the register of Lloyds TSB Registrars up to and including March 31, 2006 will receive, together with the invitation to the Ordinary General Meeting, a reply card that they or the beneficial owners of the CDIs may use to order the admission card and voting papers. All nominees are requested to forward the admission card and voting papers to the beneficial owners of CDIs.

#### General remarks

Preparations for the Ordinary General Meeting will be facilitated by the prompt return of your reply card. Please return it by April 13, 2006 at the latest in the enclosed envelope. Reply cards of persons entered in the register of Lloyds TSB Registrars must be received by Lloyds TSB Registrars, The Causeway, Goring by Sea, Worthing BN99 6 TL, England, by April 11, 2006 at the latest, and reply cards of CREST members entered directly in the CREST register must be received by CREST Depository Interests, c/o SAG SIS Aktienregister AG, Zurich Financial Services, General Meeting 2006, P. O. Box, CH-4609 Olten, Switzerland, by April 12, 2006 at the latest. There is no guarantee to handle reply cards which arrive after this date.

If any of the shares or CDIs recorded on an admission card are sold, the registered shareholder or CDI Attendant should present the relevant admission card at the information counter for correction before the Ordinary General Meeting as the associated voting rights will have lapsed.

In order to determine attendance correctly, any shareholder or CDI Attendant leaving the Ordinary General Meeting early or temporarily is requested to present the unused voting papers and admission card at the exit.

### Proxies, authorization

**Shareholders with voting rights** may arrange to be represented by another shareholder entered in the share register as a shareholder with voting rights by granting authority to this person in writing. Partnerships and legal entities may be represented by authorized signatories, minors and wards by their legal representatives and married shareholders by their spouses, even if these representatives are not shareholders. In order to grant authority to any of the aforementioned, the shareholder must specify the relevant person on the reply card. Representatives will only be admitted to the Ordinary General Meeting if they can provide identification with the admission card and valid authorization. Alternatively, shareholders may appoint one of the following as their proxy:

- Zurich Financial Services,
- a bank or other professional asset manager acting as proxy for deposited shares as specified in Article 689d of the Swiss Code of Obligations, or
- Dr. iur. Brigitte Tanner, Attorney at Law, Florastrasse 44, CH-8008 Zurich, Switzerland, acting as independent voting proxy as specified in Article 689c of the Swiss Code of Obligations with the right of substitution to a third person in the case of compelling circumstances.

Proxy holders of deposited shares are requested to notify the Company regarding the number of shares they represent as soon as possible, but no later than April 18, 2006.

**CDI Attendants** may arrange to be represented at the Ordinary General Meeting by a registered shareholder or another CDI Attendant, by granting authority to this person in writing. Partnerships and legal entities may be represented by authorized signatories, minors and wards by their legal representatives and married shareholders by their spouse, even if these representatives are not shareholders or CDI Attendants.

CDI Attendants wishing to be represented at the Ordinary General Meeting may complete the separate reply card for CDI Attendants (including voting instructions) and return it, in the case of direct CREST members, to CREST Depository Interests, c/o SAG SIS Aktienregister AG, Zurich Financial Services, General Meeting 2006, P.O. Box, CH-4609 Olten, Switzerland, and, in the case of registration by Lloyds TSB Registrars, to the latter, both of whom will have the votes cast through the Company or the independent voting proxy as per the instructions of the CDI Attendants.

If voting instructions of persons entered in the register of Lloyds TSB Registrars are received after April 11, 2006, or if voting instructions of CREST members entered directly in the CREST register are received after April 12, 2006, it cannot be warranted that these instructions will be exercised.

Unless expressly instructed otherwise, the proxies of shareholders or CDI Attendants will exercise their votes in favor of the proposals made by the Board of Directors. Any signed authorization form sent in blank will be treated as an authorization in favour of the independent voting proxy.

## Annual Report

The [Annual Report 2005](#) consists of two parts, namely the "Corporate Review with Financial Information" and the "Financial Report".

- Instead of the two-part annual report, shareholders who have not expressly unsubscribed to the annual report will be served with the [Corporate Review with Financial Information](#) which contains, besides general information on the Group, the Financial Review, further financial information, the Corporate Governance Report and the Remuneration Report.
- The [Financial Report](#) contains the audited financial statements of the holding company and the audited consolidated financial statements including the notes as well as the auditors' and Group auditors' reports. Orders for the Financial Report indicating the language desired (English or German) may be placed by using the reply card.

The two publications comprising the Annual Report 2005 will be available for inspection at the Company's registered office (Mythenquai 2, CH-8002 Zurich, Switzerland) and at Lloyds TSB Registrars' London office (Princess House, 1 Suffolk Lane, London, EC4R 0A4, England) from March 21, 2006. Shareholders and CDI Attendants may request that copies of the Corporate Review and the Financial Report be sent to them from the following sources:  
For shareholders: Zurich Financial Services, Share Register, c/o SAG SIS Aktienregister AG, P.O. Box, CH-4609 Olten, Switzerland. For CDI Attendants: Lloyds TSB Registrars, The Causeway, Goring by Sea, Worthing, West Sussex BN99 6DA, England. The complete Annual Report 2005 may also be accessed and downloaded on the Internet from [www.zurich.com](http://www.zurich.com).

## Reception

We are pleased to invite all participants to a reception after the Ordinary General Meeting at the Hallenstadion Zurich.

## Transportation

We recommend that you use public transportation. Tram no. 11 leaves every 7 to 8 minutes from the *Bahnhofstrasse* or *Bahnhofquai* tram stops, close to the Zurich main station, to the last tram stop, *Messe/Hallenstadion* (journey time approx. 22 minutes). From Zurich main station, take a S-Bahn train S2, S5, S6, S7, S8, S14 or S16 which arrive within 6 minutes at Zurich-Oerlikon railway station, then take tram no. 11 or bus no. 63 (leaving every 7 to 8 minutes) or bus no 94 (leaving every 15 minutes) to the *Messe/Hallenstadion* stop.

Zurich, March 20, 2006

Zurich Financial Services

On behalf of the Board of Directors



Dr. Manfred Gentz, Chairman



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